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: EUR - Mr. Elbrick

October 10, 1956

FROM

: GER - J. J. Reinstein Ly Aff

SUBJECT: German Military Build-Up.

At the EUR Directors meeting on October 8 you suggested I give you a memorandum on my views of the prospects of German military build-up.

As I said on that occasion, I am somewhat skeptical as to whether the Germans will in fact create forces of the order of magnitude envisaged by their present force goals. The Germans have continued to assure us that they will do so and that they would accomplish the build-up within the time period which they have envisaged, that is, 3 years for the Army and 4 years for the Air Force and Navy. There has been considerable skepticism within Germany itself as to whether these goals could be achieved within the time period envisaged, and a growing question as to whether forces of this order of magnitude are in fact necessary or desirable. While the Germans continue to maintain formally their position that the build-up will be achieved, it is apparent that a substantial slippage is now seriously accepted. Furthermore, the slippage is of a character which would permit a downward alteration in the size and character of the forces without any great difficulty.

The factors militating against the achievement of the German force goals are serious. Not only is there little enthusiasm for creating a military force but a definite hostility to the idea on the part of some segments of public opinion. There have been incidents, for example, of personnel recruiting for the armed forces being attacked.

The factors militating against a full German build-up can be summarized as follows:

- (1) Disillusionment over Germany's experience during the war.
- (2) Lack of belief that there is an immediate Soviet threat, coupled with a fear that the creation of German forces and German membership in NATO constitute a bar to reunification.
- (3) Questions as to whether the forces projected for the German build-up, which are the same as those envisaged in 1951, are really necessary in the light of the development of new weapons.
- (4) Concern that the cost of the projected forces will constitute an undue burden on the German economy and impair the ability of the Federal Republic to carry out necessary social welfare programs. The effect of two world wars on the population structure of Germany

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will make social welfare expenditures, which are being increased at the present time, particularly heavy during the coming years.

- (5) Concern over the drain on manpower which the raising of a force of 500,000 men will involve. Although officially there is still a significant amount of unemployment, there is in fact full employment in Germany and a growing manpower shortage. During the next four years, the generation born during the war, i.e., during the period of a sharp drop in the German birth rate, will be reaching maturity, and the competition between the military forces and the labor forces will be most severe.
- (6) The difficulty of initiating a substantial draft during an election year. Prior to the adoption of the 12 months conscription period it was the plan of the Defense Ministry to have three draft calls during 1957 of about 40,000 men each. The manpower goal for the end of 1957 is 270,000 men. If there is a substantial increase in volunteering, the draft calls could, of course, be reduced. I have some doubt as to whether more than one call will be made.

It is probably too early to get any clue as to how the build-up will in fact develop. We do know that in German financial plans, substantial amounts of equipment have been moved into the 4th and 5th years after the initiation of the build-up. We hope to find out during the NATO Annual Review exactly what equipment is involved. While this may give us a clue of German thinking in general, it is probably too early to try to get a concept as to what the Germans will do. However, over the next six months we may be able to construct a picture of German thinking from their plans as submitted to NATO, from the pattern of their equipment purchases, and from the way in which they handle the training of men brought into the forces.

My guess is that they will not during the next 12 to 18 months push the build-up to a point which would commit them to a force of more than 200,000 to 250,000 men. However, this remains to be seen. It is a matter which we intend to follow most closely. As soon as we see any trends, we will report them.

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